

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 829 - SB 817**

February 25, 2011

**SUMMARY OF BILL:** Requires hospitals to establish policies that require physicians or other individuals with the authority to issue verbal orders, including telephone orders, to authenticate those verbal orders. Requires the authentication to occur within 48 hours after the time the order is made. Requires individuals receiving verbal orders to record the date and time of the order and sign the order in accordance with hospital policies or bylaws. Extends the authentication period to no later than 30 days after the date of the patient's discharge if the individual receiving the order immediately reads back the order to the issuer of the order, and the issuer verifies that the read-back order is correct.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The Board for Licensing Health Care Facilities will revise current hospital regulations to reflect the new provisions, conduct rulemaking for the revised regulations, and train survey staff to review verbal order records to ensure each hospital's compliance with the new requirements.
- Rulemaking can be accomplished during regularly scheduled board meetings and will not result in a significant increase in state expenditures.
- Any costs incurred for compliance training and monitoring will be not significant and can be accommodated within existing resources without an increased appropriation or a reduced reversion. .
- Pursuant to Tenn. Code Ann. § 68-11-216, the Board is required to be self-supporting over a two-year period. As of June 30, 2010, the Board had a balance of \$392,654.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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